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LOK SABHA

The following Bills were introduced in Lok Sabha on the 26th November, 1963:—

BILL No. 49 OF 1963

a Bill to provide for the constitution of separate Boards of Revenue for Direct Taxes and for Excise and Customs and to amend certain enactments for the purpose of conferring powers and imposing duties on the said Boards.

Be it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Central Boards of Revenue Act, 1963.

Short title
and com-
mence-
ment.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "Board" means the Central Board of Direct Taxes or the Central Board of Excise and Customs constituted under section 3;

10 (b) "Central Board of Revenue" means the Central Board of Revenue constituted under the Central Board of Revenue Act, 1924;

4 of 1924.

(c) "direct tax" means—

(1) any duty leviable or tax chargeable under—

34 of 1953.

27 of 1957.

29 of 1957.

18 of 1958.

43 of 1961.

14 of 1963.

20

- (i) the Estate Duty Act, 1953;
- (ii) the Wealth-tax Act, 1957;
- (iii) the Expenditure-tax Act, 1957;
- (iv) the Gift-tax Act, 1958;
- (v) the Income-tax Act, 1961;
- (vi) the Super Profits Tax Act, 1963; and

(771)

(2) any other duty or tax which, having regard to its nature or incidence, may be declared by the Central Government, by notification in the Official Gazette, to be a direct tax.

Constitu-
tion of
separate
Central
Boards for
Direct
Taxes and
for Excise
and
Customs.

3. (1) The Central Government shall, in place of the Central Board of Revenue, constitute two separate Boards of Revenue to be called the Central Board of Direct Taxes and the Central Board of Excise and Customs, and each such Board shall, subject to the control of the Central Government, exercise such powers and perform such duties, as may be entrusted to that Board by the Central Government 10 or by or under any law.

(2) Each Board shall consist of such number of persons not exceeding five as the Central Government may think fit to appoint.

Procedure
of the
Board.

4. (1) The Central Government may make rules for the purpose of regulating the transaction of business by each Board and every order 15 made or act done in accordance with such rules shall be deemed to be the order or act, as the case may be, of the Board.

(2) Every rule made under this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised 20 in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, 25 as the case may be, so however, that any modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Amend-
ment of
certain
enact-
ments.

5. (1) In the Estate Duty Act, 1953, the Wealth-tax Act, 1957, the Expenditure-tax Act, 1957, the Gift-tax Act, 1958, the Income-tax 30 Act, 1961 and the Super Profits Tax Act, 1963, for the words and figures "Central Board of Revenue constituted under the Central Board of Revenue Act, 1924" or "Central Board of Revenue", wherever they occur, the words and figures "Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963" 35 shall be substituted.

(2) In the Central Excises and Salt Act, 1944, and the Customs Act, 1962, for the words and figures "Central Board of Revenue constituted under the Central Board of Revenue Act, 1924" or "Central Board of Revenue" wherever they occur, the words and figures 40 "Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963" shall be substituted.

(3) The functions entrusted to the Central Board of Revenue by or under any other enactment shall,—

(a) if such functions relate to matters connected with direct taxes, be discharged by the Central Board of Direct Taxes; and

5 (b) if such functions relate to any other matter, unless they are entrusted by the Central Government to the Central Board of Direct Taxes, be discharged by the Central Board of Excise and Customs.

6. (1) Every proceeding pending at the commencement of this Act, before the Central Board of Revenue shall— Transfer of certain proceed- ings.

(a) if it is a proceeding relating to direct taxes, stand transferred to the Central Board of Direct Taxes; and

(b) in any other case, stand transferred to the Central Board of Excise and Customs.

15 (2) If any question arises as to whether any proceeding stands transferred to the Central Board of Direct Taxes or to the Central Board of Excise and Customs, it shall be referred to the Central Government whose decision thereon shall be final.

(3) In any legal proceeding pending at the commencement of 20 this Act to which the Central Board of Revenue is a party,—

(a) if it is a proceeding relating to direct taxes, the Central Board of Direct Taxes shall be deemed to be substituted for the Central Board of Revenue in such proceeding; and

25 (b) if it is a proceeding relating to any other matter, the Central Board of Excise and Customs shall be deemed to be substituted for the Central Board of Revenue in such proceeding.

7. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the pur- 30 poses of this Act, as appear to it to be necessary or expedient for removing the difficulty. Power to remove difficulties

(2) An order under sub-section (1) may be made so as to have retrospective effect from a date not earlier than the date of the commencement of this Act.

35 8. (1) The Central Board of Revenue Act, 1924, is hereby repealed. Repeal and saving.

4 of 1924.

(2) Nothing contained in sub-section (1) shall affect any appointment, assessment, order (including quasi-judicial order) or rule made, or exemption, approval or recognition granted, or any notice, notification, direction or instruction issued, or any duty levied, or 40 penalty or fine imposed, or confiscation adjudged, or any form

prescribed, or any other thing done or action taken by the Central Board of Revenue under any law and any such appointment, assessment, order, rule, exemption, approval, recognition, notice, notification, direction, instruction, duty, penalty, fine, confiscation, form, thing or action shall be deemed to have been made, granted, issued, 5 levied, imposed, adjudged, prescribed, done or taken by the Central Board of Direct Taxes, or as the case may be, by the Central Board of Excise and Customs and shall continue to be in force unless and until it is revised, withdrawn or superseded by the concerned Board.

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to replace the Central Board of Revenue Act, 1924, by this law which provides for the constitution of two Boards named, respectively, as the Central Board of Direct Taxes and the Central Board of Excise and Customs. Owing to the very considerable expansion of the Union revenue administration since 1924, substantial strengthening of the Board of Revenue at the Centre as well as its functional bifurcation has become a matter of urgent necessity. Such separation has also been recommended by the Direct Taxes Administration Enquiry Committee and more recently, by the Central Excise Re-organisation Committee. This Bill seeks to give effect to those recommendations which have since been accepted by Government.

NEW DELHI;
The 20th November, 1963.

T. T. KRISHNAMACHARI.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117
OF THE CONSTITUTION OF INDIA

[Copy of letter dated the 22nd November, 1963 from Shri T. T. Krishnamachari, Minister of Finance to the Secretary, Lok Sabha].

The President having been informed of the subject matter of the proposed Central Boards of Revenue Bill, 1963 to provide for the constitution of separate Boards of Revenue for Direct Taxes and for Central Excise and Customs and to amend certain enactments for the purpose of conferring powers and imposing duties on the Central Boards, recommends under clauses (1) and (3) of article 117 of the Constitution of India the introduction in and consideration by the Lok Sabha of the Bill.

* * * * *

FINANCIAL MEMORANDUM

The Central Board of Revenue as at present constituted under the Central Board of Revenue Act, 1924, consists of the following:—

- (1) Chairman
- (2) Vice-Chairman
- (3) Members—4

The two new Boards to be constituted will each consist of not more than five Members including the Chairman/Vice-Chairman. Even if all the posts are filled, the extra expenditure involved on that account will not exceed Rs. 2,00,000 per annum as detailed below:—

I. Officers

Average cost of emoluments of Chairman/ Vice-Chairman	Rs. 33,000
Average cost of emoluments of 3 Members	Rs. 81,000

II. <i>Other Staff and incidentals</i>	Rs. 85,000
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Total	Rs. 1,99,000
or say	Rs. 2,00,000

It is not intended that all these extra posts should be created immediately.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 4 of the Bill empowers the Central Government to make rules for the purpose of regulating the transaction of business of the two Boards proposed to be constituted under the Bill. The matters with respect to which rules are to be made are matters of a routine nature or of detail and the delegation of legislative power is of a normal character.

BILL No. 50 OF 1963

a Bill to provide for the delegation of certain powers vested in the Administrator of the Union territory of Delhi.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

- Short title and extent. 1. (1) This Act may be called the Delhi (Delegation of Powers) Act, 1963.
- (2) It extends to the whole of the Union territory of Delhi. 5
- Definitions. 2. In this Act, unless the context otherwise requires,—
- (a) "Administrator" means the administrator of Delhi appointed by the President under article 239 of the Constitution;
- (b) "Chief Secretary" means the Chief Secretary of the Delhi Administration; 10
- (c) "Delhi" means the Union territory of Delhi;
- (d) "District Judge" means the District Judge, Delhi, and includes an Additional District Judge, Delhi.
- Delegation of powers, etc., vested in Administrator under certain laws. 3. (1) Any power, authority or jurisdiction or any duty which the Administrator may exercise or discharge by or under the provisions of any enactment mentioned in column 1 of the Schedule may be exercised or discharged also— 15
- (a) by any officer or authority mentioned in relation thereto in column 2 of the said Schedule;

(b) by such other officer or authority as may be specified in this behalf by the Central Government by notification in the Official Gazette.

(2) The Administrator may transfer any appeal or application for revision or any other matter pending before him for disposal to an officer or other authority competent under sub-section (1) to dispose of the same.

(3) The Administrator may withdraw for disposal by himself any appeal or application for revision or any other matter pending before an officer or other authority competent under sub-section (1) to dispose of the same.

THE SCHEDULE

(See section 3)

15	Name of enactment	Provisions vesting powers in the Administrator.	Officer or authority who may also exercise the powers.
	1		2
20	1. The Punjab Land Revenue Act, 1887 (Punjab Act 17 of 1887), as in force in Delhi.	Sections 13 and 16.	Chief Secretary.
	2. The United Provinces Land Revenue Act, 1901 (United Provinces Act 3 of 1901), as in force in Delhi.	Sections 210 and 219.	Chief Secretary.
25	3. The Bengal Finance (Sales Tax) Act, 1941 (Bengal Act 6 of 1941), as in force in Delhi.	Section 20 (3).	District Judge.
30	4. The Delhi Land Revenue Act, 1954 (Delhi Act 12 of 1954).	Sections 64, 66 and 72.	Chief Secretary.
	5. The Slum Areas (Improvement and Clearance) Act, 1956 (96 of 1956).	Section 20.	Chief Secretary.

STATEMENT OF OBJECTS AND REASONS

Under certain enactments in force in the Union territory of Delhi, the Chief Commissioner of Delhi has to exercise appellate, revisional and other powers either by virtue of express provisions in those enactments or by virtue of delegation of those powers to him. The Chief Commissioner, on an average, has to hear over 400 appeals and revision applications during the course of a year under the provisions of the enactments mentioned in the Schedule to the Bill. This work consumes considerable time and renders it difficult for the Chief Commissioner to devote adequate attention to the various problems connected with the administration of the Union territory. It is, therefore, considered necessary to give relief to the Chief Commissioner by providing that the powers mentioned above shall be exercisable also by the officers and authorities specified in the Schedule and by such other officer or authority as may be specified in this behalf by the Central Government. The Bill seeks to give effect to this object.

M. CHANDRASEKHAR.

NEW DELHI;

The 13th November, 1963.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE
CONSTITUTION OF INDIA

[Copy of letter No. 42/3/63-Delhi, dated the 16th November, 1963
from Shrimati M. Chandrasekhar, Deputy Minister of Home
Affairs to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the Bill, has recommended to the Lok Sabha the consideration of the Bill under article 117(3) of the Constitution.

FINANCIAL MEMORANDUM

Clause 3(1) (b) of the Bill provides that such officer or authority as may be specified in this behalf by the Central Government by notification in the Official Gazette may also exercise or discharge the power, authority, jurisdiction or duty which the Administrator may exercise or discharge under the provisions of an enactment mentioned in column 1 of the Schedule to the Bill. Immediately there is no intention of appointing any extra officer for this purpose and the delegated powers will be exercised by the existing officers such as the Chief Secretary, Delhi Administration, District Judge or Additional District Judge, Delhi, as the case may be. However, it may become necessary at a future date to appoint a separate officer for this purpose. The total annual expenditure, if such an officer is appointed, is estimated to be about Rs. 30,000.

M. N. KAUL,
Secretary.

